

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



# AGRICULTURAL COOPERATION

June 1, 1929

Vol. VII, No. 11.

## INCREASED COOPERATION BY DAIRY FARMERS

Dairy products to the value of \$640,000,000 were marketed through farmer-controlled cooperative associations in 1928. This is an increase of \$20,000,000 over the final estimate for 1927.

The items making up the total are: cooperative creameries, \$245,000,000; milk bargaining associations, \$200,000,000; milk distributing associations, \$150,000,000; cheese factories, \$30,000,000; and cream stations, \$15,000,000.

Nearly a half billion pounds of butter was made in producer-owned plants in 1928. More than 100,000,000 pounds of cheese and about 50,000,000 pounds of milk powder were also manufactured by the cooperatively inclined farmers.

About 2,500 separate farmer-owned dairy enterprises stretching from ocean to ocean, were active during the year.

Present indications are that a larger business will be transacted in 1929 than in 1928.

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION  
COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING  
BUREAU OF AGRICULTURAL ECONOMICS  
UNITED STATES DEPARTMENT OF AGRICULTURE  
WASHINGTON, D.C.

## CONTENTS

	<u>Page</u>
Dairy products:	
Increased cooperation by dairy farmers.....	213
Inter-State Milk Association reports (Pa.).....	215
New members for milk association (N. Y.).....	216
Cheese federation increasing its scope (Wis.).....	216
Progress of California dairy association.....	216
Fruits and vegetables:	
Cooperative ships by motor trucks (N. J.).....	217
Increased business by lemon association (Calif.).....	217
Calavo association makes fifth annual report (Calif.).....	218
From a small beginning to a big business (Oreg.).....	219
Grain:	
North Dakota planning for coarse grains pool.....	220
New home for Canadian wheat organizations.....	220
Grain marketing in western Colorado.....	221
An efficient Manitoba elevator.....	221
Exchange pays patronage refunds regularly. (Texas).....	221
Livestock:	
Planning to regulate direct shipments (Minn.).....	222
Shipped livestock for fourteen years (Minn.).....	222
Poultry products:	
New program for Ohio egg marketing association.....	223
Turkeys a major crop in Nevada.....	223
Nuts:	
Nut marketing association in twentieth year (Calif.).....	224
Purchasing:	
Cooperative buying and selling in Alabama.....	225
Collective buying in Maryland.....	225
Foreign:	
Tobacco cooperatives in South Africa.....	226
Legal:	
Association recovers excess advances (Ark.).....	226
Miscellaneous:	
Wisconsin pool will store unsold stemming tobacco.....	228
Cooperation on the Pacific Coast (Ore.).....	228
Reported by the associations.....	229
Selected list of publications and articles.....	230

----0----

### DUPLICATE COPIES FOR LIBRARY FILES

Duplicate copies of many of the house organs published by cooperative associations are available for completing library files. In making request kindly indicate dates of the various issues wanted as well as name of publication. Address Division of Cooperative Marketing, Department of Agriculture, Washington, D. C.

# AGRICULTURAL COOPERATION

June 1, 1929

Vol. VII, No. 11.

## INTER-STATE MILK ASSOCIATION REPORTS

Milk to the amount of 790,248,292 pounds was handled during 1928 by the Inter-State Milk Producers' Association, Philadelphia. This milk had a value of \$28,290,888. The membership distribution and the quantity of milk received from the group in each state were as follows:

State	Members		Milk marketed		Value of milk
	(Number)	(Per cent)	(Pounds)	(Per cent)	
Pennsylvania	13,897	63.66	515,421,712	65.22	\$18,452,097
Maryland	3,996	18.31	115,732,306	14.64	4,143,216
New Jersey	2,263	10.37	88,165,884	11.16	3,156,339
Delaware	1,649	7.55	65,498,424	8.29	2,344,843
West Virginia	21	0.10	5,429,966	0.69	194,393
Virginia	3	0.01	-----	----	-----
Total	21,829	100.00	790,248,292	100.00	\$28,290,888

The weighted average price for 4 per cent milk f. o. b. Philadelphia, was \$3.58 per 100 pounds, compared with \$3.578 for 1927, and \$3.322 for 1926.

Of the milk delivered during the last three years, the proportions handled as surplus have been as follows: 1926, 10.94 per cent; 1927, 11.74 per cent; 1928, 11.84 per cent.

Available statistics regarding the development of the association since 1920 are given below:

Year	Number of locals	Number of members*	Milk marketed (Pounds)	Sales value
1920	217	12,538	-----	-----
1921	244	14,697	-----	-----
1922	251	15,527	-----	-----
1923	264	17,680	-----	-----
1924	274	19,022	-----	\$ 9,272,214
1925	275	19,830	-----	14,776,575
1926	279	21,820	615,931,400	-----
1927	281	#21,259	806,782,146	28,866,665
1928	287	#21,829	790,248,298	28,290,888

\*October 31.      # December 31.



NEW MEMBERS FOR MILK ASSOCIATION

The month of April brought 1,211 new membership contracts to the Dairymen's League Cooperative Association, Inc., New York City. This number is larger by 75 than that for April, 1928. Four hundred thirty-three of these represent entirely new business in the fluid milk market; 291 are just beginning dairying, doubtless influenced by the more favorable prices paid for milk; and 142 are producers whose milk has been going into the manufacture of butter.

Of the remainder, 366 are producers whose milk has been sold outside the Dairymen's League; 199 are farmers who have delivered milk to both pool and nonpool plants, but were not members of the association; and 213 are men who moved to farms to take the places of former members of the League and have become members themselves.

-----0-----

CHEESE FEDERATION INCREASING ITS SCOPE

The National Cheese Producers' Federation, Plymouth, Wis., has recently taken over a very large independent Swiss cheese business at Monroe, Wis., and contracted with the majority stockholder of the organization to have charge of the foreign cheese department of the Federation.

By means of a two months campaign 47 additional factories have been brought into the Federation. These factories are expected to produce about 3,500,000 pounds of cheese this year, mostly Swiss block cheese.

The Federation has leased an entire floor of a large cold storage plant at Monroe for storing foreign cheese and may negotiate for more space if it is needed. Production of Swiss cheese in Wisconsin has fallen off in recent years and these moves taken by the Federation to encourage its manufacture are meeting the approval of producers.

-----0-----

PROGRESS OF CALIFORNIA DAIRY ASSOCIATION

With the retirement of the president who has served the Milk Producers' Association of Central California for a number of years, the general manager summarizes very briefly the history of the association. Since the dairymen took over the administration of the Modesto Creamery in 1918 and operated it as a cooperative, the membership has more than doubled, and now stands at 2,700. This creamery with an output of 3,400,-687 pounds of butter in 1921, has grown to be a ten-ton-a-day factory, and since 1922 the milk powder plant has nearly trebled its output. Last year it produced 6,340,918 pounds of powder while the creamery turned out 6,382,470 pounds of butter.

The Stockton plant of the association also has a record of increased membership and increased output of pasteurized milk, butter and buttermilk powder.

COOPERATIVE SHIPS BY MOTOR TRUCK

Ninety-seven per cent of the shipments made by the Cooperative Growers' Association, Beverly, N. J., last year were by motor truck. This organization which has been operating since 1918 is engaged in marketing peaches, apples, pears, cherries, peas, beans, and sweet corn, and in the purchase of fertilizers and other farm supplies.

Farm products were sold during 1928 to the amount of \$781,201 and farm supplies to the value of \$180,758 were purchased, making the total business for the year \$961,959. The total number of packages of farm products handled was 413,666. Net earnings of the association for 1928 were \$12,843. Of this amount 75 per cent was distributed to members in the form of certificates of indebtedness and 25 per cent was added to surplus, making the total surplus \$14,444 on December 31, 1928. Certificates of indebtedness issued, and to be issued, amounted to \$35,610.

Total amount of business transacted by this association in 1925 was \$1,002,615; in 1926, \$856,193; and in 1927, \$961,959.

-----0-----

INCREASED BUSINESS BY LEMON ASSOCIATION

Lemon sales of the Glendora Lemon Growers' Association, Glendora, Calif., have more than doubled in the last three years. Total sales for the 1925-26 season were \$311,382; for 1926-27, \$458,949; and for 1927-28, \$746,769. Other income brought the total business for the past season to \$797,367.

The costs per packed box, of receiving, washing, grading, and packing lemons during recent years are given in association reports as follows: 1924-25 season, 89.23 cents; 1925-26, 89.59 cents; 1926-27, 96.12 cents; and 1927-28, 81.18 cents.

The retain from returns to cover marketing costs was 28 cents per packed box for the 1927-28 season. Of this amount 7.5 cents was a selling charge by the California Fruit Growers' Exchange, 10 cents was for advertising, 4 cents for a revolving fund with the Fruit Growers' Supply Company, 2 cents for a revolving fund with the Exchange Lemon Products Company, and 4.5 cents for local association expense. As 2.61 cents of the latter amount was returned at the close of the year, the net association expense was but 1.89 cents.

The association has real estate, packing house equipment and furniture with a depreciated value of \$91,641. It has investments in affiliated associations to the amount of \$46,820. Its own revolving fund contains \$43,480. Outstanding share capital on October 31, 1928, was \$43,615 with a book value of \$52,992.

CALAVO ASSOCIATION MAKES FIFTH ANNUAL REPORT

A short crop of fruit in the 1927-28 season of the Calavo Growers of California, Los Angeles, resulted in higher prices but brought many problems. Production dropped approximately 50 per cent and prices rose to a point where many dealers would not attempt to handle the fruit. Only the select hotels and restaurants and the fancy grocery stores in the larger cities would pay the prices. The management felt that it would be a mistake to lose the attention of the customers secured by means of the advertising and merchandising program of the previous season. These outlets had been opened up and developed by expensive high-pressure methods and the prestige won must be maintained. A minimum budget was prepared with the slogan "Reduce expenses but hold the ground that has been gained," and every conceivable means was adopted to keep Calavos before the public in the largest cities without expenditure for newspaper or magazine space. Advertising material left over from the previous year was used to keep the name of Calavo before the limited number of purchasers. Bags with receipts and instructions for use of the fruit printed on them were furnished to the trade, and booklets telling about Calavos were distributed to dealers and grocers. These bags and booklets were accompanied by coupons with requests for receipts. Further publicity was secured through magazine writers who went through the plant of the association and observed the care with which the fruit was packed and shipped, how it was tested for quality, and also visited the groves and saw how it was grown. Another method of advertising was to make displays of the fruit at every possible opportunity. Windows in busy streets were utilized at various times, and a special exhibit was made in a Los Angeles hotel during a convention of fruit jobbers in January.

During the year the association handled 47,862 flats, of which 54 per cent were Calavos and 46 per cent other grades. May was the heaviest month with 6,450 flats. Sales of Calavos and avocados amounted to \$226,070, an average of \$4.73 per flat. Prices per flat were highest in December, 1927, \$5.30, and lowest in September, 1928, \$3.74. Sales of seeds and miscellaneous fruit increased the total by \$8,442, and growers received an average price of 35.4 cents per pound for all grades including culls, compared with 16 cents the previous season. Of the net average price, 33.7 cents was returned to the growers, one-half cent was retained for the revolving fund, and 1.2 cents was carried to surplus.

The fiscal year closed September 30. At that time there was an excess of income over expenses amounting to \$5,691. Deductions for the revolving fund amounted to \$2,393. The organization had a net worth of \$26,337, with no unpaid loans. There were 353 members at the close of the year.



FROM A SMALL BEGINNING TO A BIG BUSINESS

The Eugene Fruit Growers' Association, Eugene, Oreg., came into existence January 11, 1908, with 67 stockholders who had subscribed for \$3,030 of the authorized capital of \$5,000. By an assessment of 20 per cent on capital stock the association acquired working capital to the amount of \$756. In addition to handling fresh fruits and buying some supplies the association leased a cannery and canned 11,020 cases of fruit for its members. Of the total more than 8,300 cases were cherries.

Two years later the capital stock was increased and the association bought the cannery which it had leased in its first year of operation. At the end of ten years the association was operating three plants, one of which was leased. That year, 1917, sales of fruit amounted to \$321,373, and sales of merchandise to \$31,029. At the Eugene plant 57,157 cases of fruit were packed; at Junction City, 9,135 cases; and at Creswell, 1,960 cases, a total of 68,252 cases of fruits and vegetables for that year. This represented 3,004,380 pounds of fruit and 1,288,773 pounds of vegetables. Labor expense was \$34,223.

Later the Creswell plant was purchased, and as the years have passed various additions and improvements have been made and other lines of work undertaken, including a box factory, an ice plant, an apple packing house, and a cafeteria.

At the end of the first year, 1908, there were 94 stockholders on the rolls. They owned 378 shares of capital stock, an average of 4 shares each. At the beginning of 1928 the number had increased to 1,801 stockholders owning 19,758 shares with a par value of \$10 each, an average of nearly 11 shares each. Sales for the first year were around \$15,000. After 20 years, in 1927, they had increased to \$1,600,450. At first one man constituted the entire office force, serving as secretary, general manager, salesman and bookkeeper. In 1928 the office salaries amounted to \$19,570, and the labor bill to \$211,292.

The quantity of fruits and vegetables handled in 1928 reached a total of 12,767,599 pounds, compared with 19,412,000 pounds in 1927. The three plants canned 276,696 cases of fruits and vegetables, and dried 88,373 cases, besides 1,885 boxes of apples and pears sold green, 542,533 pounds of apples made into vinegar, 39 barrels of cherries packed in brine, 530 gallons of berries frozen, and 246,166 pounds of walnuts, filberts and chestnuts handled. The box factory cut approximately 2,252,053 feet of lumber during the year.

Total sales amounted to \$1,464,055. Canned goods was the largest item of the list, \$1,106,363; ice cream accounted for \$83,782; box factory, \$80,293; walnuts and filberts brought \$49,525; soda fountain supplies, \$29,555; dried fruit, \$18,462; with many other items.

The association now has capital stock outstanding to the amount of \$198,370. Its building investments amount to \$216,510, and net earnings for the year were \$11,555.

### NORTH DAKOTA PLANNING FOR COARSE GRAINS POOL

Members of the North Dakota Wheat Growers' Association, Grand Forks, will probably have an opportunity to market their oats, barley, rye and flax, through their association this season. The association is preparing plans for a coarse grains pool and the matter will be brought before the annual membership and board meetings in July. Certain changes will have to be made in the by-laws of the association and a new contract will have to be presented to the membership.

The management believes that such a pool can be handled to great advantage with existing facilities of the wheat pool. Terminal and local elevators have available space, salesmen are on hand in the principal markets, and the present staff can handle the accounting and making of returns, while the greater volume of business will make a material reduction in overhead expenses.

Heretofore carlots of coarse grains have been handled for members on a commission basis but no organized effort has been made to secure such shipments.

-----0-----

### NEW HOME FOR CANADIAN WHEAT ORGANIZATIONS

A fine new building has been erected in Winnipeg for the use of the Canadian Wheat Pools and subsidiaries. It is an eight-story building with a frontage of 56 feet and a depth of 120 feet, with windows on three sides, modern in every detail of construction and equipment. The entire building will be occupied by the staffs of the wheat pools of Alberta, Manitoba and Saskatchewan and their subsidiary companies, and the central sales agency. This will bring under one roof these agencies which have heretofore been separated.

The lower floor will be occupied by the selling agency, the Canadian Cooperative Wheat Producers, Ltd. Other organizations which will make the new building their headquarters are the following: Canadian Pool Agencies, Ltd.; Alberta Cooperative Wheat Producers, Ltd.; Manitoba Cooperative Wheat Producers, Ltd.; Manitoba Pool Elevators, Ltd.; Saskatchewan Cooperative Wheat Producers, Ltd.; Saskatchewan Pool Elevators, Ltd.; Saskatchewan Pool Terminals, Ltd.

An important feature of the building is a grain research laboratory, with complete equipment for testing, milling and baking. Here a cereal chemist will conduct tests on wheat to determine protein content, milling and baking qualities, varietal values, and any factors having to do with grades and varieties.

The building was erected especially for the use of the marketing associations at a cost of nearly a million dollars, and is leased for a long term.

GRAIN MARKETING IN WESTERN COLORADO

About 100 grain producers in the vicinity of Steamboat Springs, Colo., are served by the Steamboat Elevator, Milling, Storage and Trading Company. This marketing enterprise was originally established in 1919 as the Steamboat Cooperative Elevator Company. The first year it transacted business to the amount of \$185,000. In 1926 the company was reorganized under its present name. Grain and merchandise sales for the last business year amounted to \$41,631.

----0----

AN EFFICIENT MANITOBA ELEVATOR

Members of the Lenore Cooperative Elevator Association, Lenore, Manitoba, had their 1928 grain handled nearly free of charge, as the company made a refund of 2.46 cents a bushel. The agent of this association with one helper handled 300,000 bushels of grain through the elevator before the end of November, 1928. On two of the heaviest days in September, these two men took in 295 loads of grain, amounting to 21,497 bushels, also they shipped out 6 cars, and cleaned 3,300 bushels. By April this elevator had taken in 375,000 bushels of commercial grain.

----0----

EXCHANGE PAYS PATRONAGE REFUNDS REGULARLY

Patronage refunds averaging \$16.600 a year have been paid by the Perryton Equity Exchange, Perryton, Texas, since 1920. The largest dividend paid in any one year amounted to \$40,313, paid on 1926 business; and the smallest dividend was \$4,565, paid on 1923 business. The amounts for the several years were as follows:

1920 . . . . .	\$ 9,593	1925 . . . . .	\$ 6,201
1921 . . . . .	20,332	1926 . . . . .	40,313
1922 . . . . .	18,829	1927 . . . . .	7,650
1923 . . . . .	4,565	1928 . . . . .	18,411
1924 . . . . .	23,672		

The total business handled by the Exchange during the 1928 year which closed March 31, 1929, was \$1,616,907. The net earnings on this business amounted to \$33,367.

The Exchange was organized in the fall of 1919 and began operating in 1920. The first year it served 126 members. This number has increased until now approximately 500 farmers are members. The company operates several grain elevators and handles principally wheat.



### PLANNING TO REGULATE DIRECT SHIPMENTS

Representatives of some of Minnesota's cooperative livestock shipping associations are trying to work out plans to protect their own terminal markets in marketing their stock. Meetings have been held in various localities and some of the associations are willing to agree to ship all their stock to the terminal markets provided their neighbor shipping associations will join them in the movement. Other meetings are scheduled to decide on a course of action which will be satisfactory and advantageous to all the associations.

---0---

### SHIPPED LIVESTOCK FOR FOURTEEN YEARS

Since its organization in 1915 the La Salle Livestock Shipping Association, La Salle, Minn., has sent 145,719 hogs, 23,729 head of cattle and calves, and 3,934 sheep to the terminal livestock markets. The returns have amounted to more than four and a third million dollars.

Shipments for 1928 to the South St. Paul market consisted of 272 cars containing 16,235 hogs, 1,797 cattle and calves, and 494 sheep, with an f.o.b. value at La Salle of \$386,802. Ninety-nine per cent of this amount was paid to member shippers who numbered 315.

The association had a surplus at the close of 1928 of approximately \$4,000.

The development of the business handled by this association is indicated by the following figures:

Year	Shipments					Returns
	Hogs	Cattle and calves	Sheep	Total animals	Cars shipped	
1915	2,075	665	20	2,760	52	\$ 55,591
1916	2,693	539	27	3,314	54	74,169
1917	3,895	621	71	4,587	83	163,430
1918	5,131	1,166	40	6,337	124	279,723
1919	7,553	1,701	100	9,354	164	404,086
1920	7,665	1,851	105	9,621	158	300,968
1921	8,768	1,873	283	10,929	190	216,789
1922	12,144	1,951	305	14,400	228	304,307
1923	15,462	2,172	374	18,008	265	321,833
1924	14,927	1,999	304	17,230	254	311,754
1925	15,035	2,266	253	17,554	269	471,644
1926	16,416	2,476	862	19,754	318	570,059
1927	17,715	2,597	696	21,008	330	483,332
1928	16,235	1,797	494	18,526	272	386,802

NEW PROGRAM FOR OHIO EGG MARKETING ASSOCIATION

In accordance with a resolution passed at the recent annual meeting of the Ohio Poultry Producers Cooperative Association, Wauseon, Ohio, the operation of that organization has been taken over by the Ohio Farm Bureau Corporation, Columbus, Ohio.

The board of directors of the cooperative voted to return the marketing contracts signed by members and to issue membership certificates, and to substitute for the outstanding certificates of indebtedness new certificates, bearing interest at five per cent per annum and reflecting the net worth of the enterprise as of March 25. Deductions for capital and reserves will be discontinued and expenses reduced to a minimum.

-----0-----

TURKEYS A MAJOR CROP IN NEVADA

Turkeys have become a major crop in western Nevada, and on many farms an exclusive crop. Under the leadership of the Extension Service a marketing system has been developed which has proved very advantageous in the past two seasons and promises much for the future.

The Nevada Turkey Growers' Association, Fallon, Nev., is an overhead organization with five member units covering six counties. Each grower pays a membership fee of \$1.50 to his local. Only members may market through the association.

All turkeys are pooled. The first pool is for the Thanksgiving trade. Members are asked to estimate their deliveries. These estimates are sent to headquarters and used as a basis on which to ask for bids from buyers who buy in large numbers. Bids are opened at the Fallon headquarters, with a representative of each local present, and awards are usually made on the basis of the highest bid for the number of cars specified, the next highest for the number of cars specified, and so on until all the turkeys pledged have been sold. By this plan the buyer who wants only one car and is willing to pay a little higher price can be accommodated. In settling with the growers the different prices received are equalized.

Many details of uniform dressing, packing, handling, and loading have been worked out, and a brand has been established which is placed on all containers, all head-wraps, and all advertising matter. A brand in indelible ink is also placed on the neck of each turkey.

During the last season the Fallon unit shipped 10 cars of turkeys in the Thanksgiving pool, 10 in the Christmas pool, and 2 cars in January. Twelve cars went east and 10 cars went west. The total weight was 402,392 pounds, and sales amounted to \$145,841. The average price for all birds was 36.4 cents per pound, less one cent for expenses.

With more extensive operations the association hopes to reduce marketing expenses. Plans for the future include extensive advertising of the brand, and production of higher grade stock.



### NUT MARKETING ASSOCIATION IN TWENTIETH YEAR

About three times as many nuts are being handled now by the California Almond Growers' Exchange, San Francisco, as eleven years ago. In 1917 members of the association delivered slightly over 5,270,000 pounds of nuts and in 1928 more than 17,000,000 pounds. The record year for deliveries, however, was 1926 when 20,000,000 pounds of nuts were delivered. In addition to nuts in the shell there were heavy deliveries of sticktights and meats.

The Exchange has been operating about 20 years during which period it has developed from a small enterprise into a business serving nearly 4,000 nut growers, with annual sales of about \$4,000,000, and with reserves of more than a million dollars. It owns plants, machinery and equipment to the value of \$496,448.

The growth of the organization since 1916 is indicated by the following figures compiled from information furnished by the Exchange:

Year	Number of members	Nuts* (Pounds)	Grower meats (Pounds)	Gross sales
1916-17	1,240	-----	-----	\$-----
1917-18	1,723	5,272,325	-----	-----
1918-19	2,309	5,738,703	-----	1,295,076
1919-20	3,201	10,744,526	-----	2,696,920
1920-21	3,679	8,851,339	-----	1,466,477
1921-22	2,467	8,731,104	-----	1,964,138
1922-23	2,998	11,485,135	-----	2,081,680
1923-24	3,359	13,896,405	-----	1,875,863
1924-25	3,411	10,228,227	-----	2,075,736
1925-26	3,426	9,235,024	122,628	2,204,089
1926-27	3,536	20,826,702	971,220	4,213,048
1927-28	3,385	14,056,420	238,745	2,824,400
1928-29	-----	17,110,493	518,064	4,000,046

\* Including sticktights.

Net expense, incurred to the end of the fiscal year, February 28, 1929, in connection with the marketing of the 1928 crop, was but a trifle over 15 per cent of sales and inventory. The total included the following: direct and trade charges, 8.32 per cent; advertising, 1.75 per cent; sales expense, 0.7 per cent; administrative expense, 1.44 per cent; Sacramento expense, 0.88 per cent; general expense, 2.17 per cent. Other items and credits made the total 15.05 per cent.

Among the properties of the Exchange is a shelling plant at Sacramento where the nuts are prepared for marketing.

During recent years a large portion of the product handled has been marketed in the form of shelled nuts.

COOPERATIVE BUYING AND SELLING IN ALABAMA

Farmers of Dale County, Alabama, have bought 826 tons of fertilizers this spring through their Farm Bureau, at a cost of \$25,450. The purchases have included nitrate of soda, calcium nitrate, superphosphate, muriate, basic slag, nitrophoska, and mixed fertilizers. Most of the supplies were bought for home mixing and the average saving is estimated at \$8 a ton in addition to the improved quality and the opportunity to mix the ingredients to suit the crops and land. Additional purchases of dynamite, grass seed and carbon bisulphide, brought the total amount of purchases to \$26,036. The only extra expense in handling this business was the salary of one secretary.

The Dale County farmers have sold 10,059 hogs cooperatively this season, with expenses of \$1,000 and net returns of \$142,830.

The county agent reports that during 1928 through the Dale County Farm Bureau and the Dale County Hog Cooperative Sales Association, the farmers of the county sold products to the value of \$181,164 at an estimated saving of \$8,309, and purchased through the Farm Bureau, supplies worth \$39,471 at an estimated saving of \$7,345. In seven years of buying supplies and four years of selling hogs the business transacted has amounted to \$1,219,031.

-----0-----

COLLECTIVE BUYING IN MARYLAND

Sales amounting to nearly a million dollars a year are being made through the Agricultural Corporation of Maryland, Baltimore, an organization affiliated with the Maryland Farm Bureau Federation. The largest item making up the total is feed, the sales of which amounted to \$857,402 in 1928. Fertilizer sales which formerly were in excess of \$100,000 have been under \$70,000 for the last two years.

The detailed figures for the past six years are as follows:

Year	Feed	Fertilizer	Miscellaneous*	Total
1923	\$367,138	\$103,192	\$58,618	\$ 528,948
1924	733,362	121,765	53,702	908,829
1925	969,725	147,437	30,921	1,148,083
1926	733,052	106,595	23,900	868,547
1927	737,319	69,668	35,193	842,180
1928	857,402	69,025	42,289	968,716

\*Binder twine, seed, coal, tires, etc.

### TOBACCO COOPERATIVES IN SOUTH AFRICA

Practically all the tobacco growers in the Union of South Africa are members of cooperative tobacco societies. In June, 1928, there were eight such cooperatives in the country, one new association with 145 members having been organized during the year. At that time the eight associations had a combined membership of 8,799. During the 1927-28 season these societies handled 707,584 pounds of Turkish leaf and 19,051,--021 of other leaf, approximately 92.8 per cent of the total Union production in both instances.

The present tobacco situation is described in a report from the American Trade Commissioner at Johannesburg. With heavy crops in 1927 and 1928 there was a surplus over domestic requirements at the end of the year estimated at 16,000,000 pounds. The disposal of such a large quantity is a serious problem for the government as well as for the growers. Various agencies are working to open up export outlets.

-----0-----

### ASSOCIATION RECOVERS EXCESS ADVANCES

In the case of the Arkansas Cotton Growers Cooperative Association v. Brown, the Supreme Court of Arkansas, 16 S. W. (2d) -----, held that the association was entitled to recover excess advances made by it to a member.

In 1925, the association advanced \$59.04 more to a member than the amount ultimately received for his six bales of cotton. In 1926, the association made an advance to him on three bales of cotton, and after selling the cotton the association owed him \$19.09. The association deducted the \$19.09 which it owed the member from the \$59.04 and brought suit for \$30.82. The trial court allowed the member to introduce evidence for the purpose of showing that the association had not sold the cotton "at the best prices obtainable by it under market conditions" as specified in the marketing contract. The evidence offered by the member with respect to this matter consisted in showing that at several times during the season cotton was sold in the local market for more than the price obtained by the association. The trial court submitted the case to the jury on this question and the jury decided in favor of the member. The association then appealed.

The Supreme Court held that the trial court erred in refusing to direct a verdict for the association on the question involving the construction of the language in the contract reading, "the best prices obtainable by it under market conditions" and in this connection the court said:

It would be destructive of the purposes of the association if it was compelled to account to the members for the highest price it could have obtained for the cotton on any particular day or days. In the very nature of things, no one could know what would be the highest market price obtainable, under such a construction of the contract, until after the cotton season was over. The cotton growers were associating themselves together as authorized by the act, and have signed agreements for marketing their cotton with the association, which had for its purposes the classifying and grading of the cotton, the selling of the same for the best market price obtainable, in the judgment of the officers of the association, during the cotton season for any one year.

The court pointed out "that the marketing agreement made the classification of the association conclusive upon the members, and provided that each pool should be for a full season. This made the judgment of the association in classifying and selling the cotton conclusive except for fraud or gross mistake which would amount to fraud." The principle just referred to is applicable in all instances in which a given person has by contract been authorized to pass upon any question or to ascertain any fact.

With reference to the right of the association to recover excess advances, the court said:

The contract between the association and the members expressly provides for advances to the members, and if, by mistake, the association shall make an excess advance to any one member, it would be entitled to recover the excess from the member.

Attention is called to the fact that if an association could not recover excess advances it would ordinarily mean that some members would be overpaid while other members would be underpaid, thus violating a fundamental cooperative principle.

L. S. Hulbert.



TENNESSEE GROWERS POOL WOOL CLIP

Tennessee wool producers are selling their wool through cooperative pools for the eleventh consecutive season. About 30 pools have been planned throughout the state and wool is being sold on grade.

In the opinion of the state marketing specialist, farmers gain from one to five cents per pound by the proper preparation and care of the wool preparatory to marketing.

-----0-----

WISCONSIN POOL WILL STORE UNSOLD STEMMING TOBACCO

The Northern Wisconsin Cooperative Tobacco Pool, Madison, announced in April that when its sales deliveries were completed it would call in all the unsold stemming tobacco from the growers' sheds. Furthermore, the association will advance the same price per grade to members for stored tobacco as for that which has been sold. Credit will also be allowed for shrinkage in weight after April 15. Tables showing the average shrinkage each day of storage, were carefully worked out several years ago and will be used in making the computations.

Unsold sorting tobacco of the 1928 crop is to be assorted and packed as soon as practicable. The association has paid up to 5 cents per pound on northern sorting tobacco sold in the bundle, and 6 cents per pound on southern sorting.

-----0-----

COOPERATION ON THE PACIFIC COAST

Eight local granges in Jackson County, Oregon, have selected the Farmers' Exchange Cooperative, Medford, as their marketing and purchasing agent. This association was formed in 1919 under the name of the Farm Bureau Cooperative Exchange. In January of this year the enterprise reorganized, changed its name to Farmers' Exchange Cooperative, and increased the authorized share capital from \$30,000 to \$50,000.

The association owns and operates a feed mill. It stores grain, grinds and mixes grains to produce dairy and poultry feeds; ships cattle, hogs, sheep, turkeys and eggs; and buys fertilizers and orchard supplies for its members and others.

Grain produced locally is purchased or received for storage and later ground into feeds or shipped. The livestock handled is shipped to the Portland or San Francisco markets. Turkeys, poultry and eggs are shipped largely to eastern markets. The 1928 turkey pool represented a turnover of \$5,500.

The association serves about 500 patrons. Its annual business amounts to about \$200,000, and the paid-up stock now amounts to \$21,030.



REPORTED BY THE ASSOCIATIONS

Michigan Farm Bureau members will assemble wool at 18 points in the state preparatory to marketing the clip cooperatively through the Ohio Wool Growers' Association, Columbus.

Eight farmers in the vicinity of Hastings, Mich., have formed an association for digging marl. The farmers incorporated in 1927 under the name of the Barry County Cooperative Marl Digging Association. During 1928 they excavated 1,500 cubic yards of marl.

Recently the Canadian Cooperative Livestock Producers was established with headquarters at Toronto by representatives of the livestock associations in the various provinces. The purpose of the federation is to link the provincial organizations together for a coast-to-coast marketing program based on a quality-production program.

The Kaw Valley Potato Growers and Shippers' Traffic Association was organized by 140 Kansas farmers in 1928. The association is engaged in working for just and equitable freight rates from the producing sections to the consuming markets. The organization is financed by a charge of 25 cents an acre.

Agricultural cooperative associations in Greece increased by 867 during the year from March 1, 1927 to March 1, 1928. There were 4,927 cooperative associations on the latter date, classified as follows: credit associations, 3,740; supply associations, 199; sales associations, 327; production associations, 250; miscellaneous, 411.

A proposition to establish the National Grange as a general farm organization in North Carolina, is attracting much attention in that state. A committee on farm organizations, after due consideration, has recommended the National Grange as the organization best suited to the needs of the farmers and their wives. Several locals have already been organized and 28 counties have asked assistance in forming Granges.

After handling eggs for its members successfully for 16 years on the basis of monthly pools, the Tulare Cooperative Poultry Association, Tulare, Calif., has recently changed to the weekly pool. In the last month of its 16th year the association handled more than 1,000 cases of eggs, of which 850 cases were picked up at the ranch by the trucks of the association. These trucks also deliver feed to the members. Egg prices to members during the month mentioned were only 1.33 cents below the Los Angeles wholesale market.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Brunner, Arthur L. How Imperial's Turkey Pool Works. Pacific Rural Press, San Francisco, Calif., March 30, 1929, p. 422.
- Butler, Eugene. Secrets of Melon Selling: This Is How the Successful Co-op Markets the Crop. Progressive Farmer, Mississippi Valley Edition, Memphis, Tenn., May 18, 1929, p. 7.
- Cline, L. E. The Cooperative Marketing of Turkeys for Western Nevada. Bureau Farmer, Fort Wayne, Ind., May, 1929, Nevada Section, p. 17.
- The Cooperative Features of the Farm Bill. (Editorial) Wallace's Farmer, Des Moines, Iowa, May 3, 1929, p. 6.
- Direct Buying, Again. (Editorial) The Iowa Homestead, Des Moines, Iowa, April 11, 1929, p. 4.
- Firor, J. William. Georgia Farmers Cooperate. Progressive Farmer, Georgia-Alabama edition, Birmingham, Ala., May 18, 1929, p. 18.
- The Future of the Pool. (Editorial) The Western Producer, Saskatoon, Sask., May 9, 1929, p. 6.
- Bugg, N. E. Practical Cooperation --- How to Hinder or to Help. (Radio address) Western Producer, Saskatoon, Sask., March 21, 1929, p. 12.
- Shorthill, J. W. Grain and the Terminal Associations. The Kernel, Kansas City, Mo., April, 1929, p. 5.
- Steiner, Helen. Honey Cooperative Making a Success. Oregon Farmer, Spokane, Wash., May 2, 1929, p. 17.
- Strickland, C. F. Cooperation and the Rural Problem in India. Quarterly Journal of Economics, Cambridge, Mass., May, 1929, p. 500.
- Thompson, Sam H. Efficient Production and Cooperative Marketing Good, But Don't Go Far Enough. Washington Farmer, Spokane, Wash., April 18, 1929, p. 2.
- Ward, Gordon H. Cooperative Marketing: The Economic Foundation of a Rural Social Order. The World Tomorrow, New York, N. Y., March, 1929, p. 124.
- Weymouth, George. Now Co-ops Hold the Keys to the New Farm Law. Farm Life, Spencer, Ind., June, 1929, p. 8.